



CALPEEK

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P.O. BOX 1468, BEVERLY HILLS, CA 90213 (310)659-0205 FAX(310)657-4340
Dick Rosengarten, Publisher E-Mail calpeek@aol.com

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CAMPAIGN 2000: PUBLIC FUNDING AND COMPLEX CAMPAIGN REFORM PROPOSAL KILLED PROP. 25.

Editor's note: The Mar. 7th primary war over campaign finance reform is over, but the battle rages on. And despite the 65.3% NO vote on Prop. 25 (Voters Rights 2000) by activist Ron Unz and reformer Tony Miller, 2 new initiatives are in the works dealing with this thorny issue and are trying to make the Nov. 7th ballot. Here's our update & analysis...

... Prop. 25 *postmortem* first. In post-election interviews, both Unz and Miller have said the one thing which hurt Prop. 25 *most* was the public funding element in this initiative. Voters simply don't like the idea of taxpayers supporting political campaigns or candidates – even though Unz said the cost would be a very low \$2 per year...

... Second, Prop. 25 was jammed with too many things and some of the concepts (media credits) were just too complex. And the spending limits, while better than the unreasonable limits of Prop. 208, were still low, given what it costs to run a political campaign in Calif. In order to change the system, Calpeek sources believe reform must be taken in small and easy to understand steps. For example, the best thing about Prop. 25 were the requirements for immediate disclosure of campaign funds on the internet. Question: why can't this particular element of Prop. 25, which is easy to understand, be passed by the Legislature in the form of a statute or placed on the ballot as a referendum? It would be an excellent first step...

... The new initiatives dealing with campaign reform were submitted by political law attorney Thomas Hiltachk of Bell, McAndrews & Hiltachk. In addition to these initiatives, Senate PPT John Burton(D) will be joined by Speaker-to-be Bob Hertzberg(D), GOP Assembly Leader Scott Baugh and GOP Senate Leader Ross Johnson to develop a bipartisan package. Joining the legislative effort will be Sec. of State Bill Jones(R), who says he will hold off on his own plan to join with Burton & Co. If that approach doesn't work, Jones will try again with his own initiative in 2002...

... Here's a brief rundown on the two measures by Hiltachk.

Both have the same contribution limit: \$5,000 for legislative races and \$10,000 for Statewide races, but the limits would be adjusted for *inflation* with a COLA. And there would be no limits on contributions to political parties. 24-hour internet disclosure is required for contributions of \$5,000 or more. The key difference between Hiltachk I & II: in non-presidential elections, one sets the primary for June and the other in September. With the deadlines drawing close for submitting signatures, it's doubtful that Hiltachk can qualify his plan(s) for November of 2000 – unless some financial angel comes along. Stay tuned...

CAMPAIGN 2000: CALPEEK TAKES A FIRST LOOK AT THE LONG LIST OF PRESIDENTIAL RUNNING MATES.

Editor's note: Now that the presidential primaries are over (for all practical purposes) political pundits have begun to look at the pros and cons of various VP running mates for Demo VP Al Gore and GOP Gov. George W. Bush. Much of the speculation of whom would make the best choice for each depends upon where the ticket might need some help. Here is Calpeek's first analysis of the VP sweepstakes...

... Let's begin by saying that BEE Sr. DC correspondent Leo Rennert's initial electoral college assessment of where Gore and Bush are at the current time is the best we've seen – with a few minor adjustments. He rates the contest almost dead even. Rennert's story, published Mar. 19, is that the big battle will take place in the Rust Belt, with perhaps a few Midwestern Farm Belt states added to the mix. At this point, Calif. is not on the table for Bush, although he'll stay and make a fight. Calif. is Gore country...

... But presidents are usually elected and defeated in *The Corridor*, starting in New Jersey & Delaware and running westward and ending with Missouri. The key states are NJ, PA, Ohio, Michigan, Wisconsin, Illinois, Kentucky, Missouri, Iowa and Indiana. Harry Truman, John Kennedy, Lyndon Johnson and Jimmy Carter all won by carrying most of these states. Hubert Humphrey lost because he didn't carry NJ, Delaware, Kentucky, Illinois, Missouri and Ohio. In 1992 and 1996, Bill Clinton carried all these states except Indiana...

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...**Demos first.** Under this theory, Gore should be looking at a Midwestern governor or U.S. Senator. As **Calpeek** noted last week, U.S. Sen. Evan Bayh of Indiana is at the top of most short lists. While governor, he balanced the budget, cut taxes and was pro-death penalty. And if Bayh were on a winning ticket with Gore, Demo Gov. Frank O'Bannon will appoint another Demo to fill Bayh's term. Other Midwestern Demos on the long list include U.S. Sen. Dick Durbin of Illinois and Gov. Tom Vilsack of Iowa...

...If Gore goes outside the Midwest, the long list of names includes U.S. Senators Bob Graham of FL & John Kerry of MA; Housing Sec. Andrew Cuomo; Energy Sec. Bill Richardson; Gov. Jim Hunt of No. Carolina or perhaps former Georgia Gov. Zell Miller. Don't even look at the two top Calif. officeholders: U.S. Sen. Dianne Feinstein or Gov. Gray Davis. Gore doesn't need them to win Calif. FYI: if Gore picks Graham, it could put Florida in the battle and perhaps other southern States as well – unless Elian Gonzales is sent back to Cuba...

...**The GOP side.** Bush needs to move back toward the center, especially in light of his close links in the primary to the Religious Right – and BJU. Staying with *The Corridor* theory, the best VP candidate for Bush would be Gov. Tom Ridge of Pennsylvania. But Ridge is a *social moderate* and that very fact probably means Bush will have to pass – if he is to hold the conservative base of the GOP. Ohio U.S. Sen. George Voinovich is probably more acceptable, because he's close to Bush on choice and has close ties to the NEA (education). And he's Catholic, which helps offset BJU. And no GOP presidential candidate has ever won without carrying Ohio. But he does have some baggage: while governor of Ohio, Voinovich raised taxes...

...Other names on the list include: Michigan Gov. John Engler, who could not deliver his State for Bush; Oklahoma Gov. Frank Keating; and Wisconsin Gov. Tommy Thompson. Don't look for NY Gov. George Pataki or NJ Gov. Christy Whitman on either list. Ditto Elizabeth Dole. And what about Colin Powell? He's on the list and would be first choice of many, but he's a long shot. Another long shot: U.S. Rep. John Kasich of Ohio, who is not seeking reelection and briefly flirted with a presidential run. Finally, don't look for U.S. Sen. John McCain to be on the ticket. He's just too independent – and now has become very powerful in his own right. And there's still bitterness over South Carolina. Bottomline: because of the Religious Rights powerful hold on the GOP, Bush's options are limited. Stay tuned...

COMMUNICATING WITH CALPEEK WITH E-MAIL.

For those inclined to use it, we do have an E-mail address: calpeek@aol.com. We check our E-Mail 4-5 times a week...

CAMPAIGN 2000: CALIFORNIA INITIATIVE CHART

Editor's note: This chart will show you which initiatives are currently being circulated for the November 2000 ballot. Recommended date for turning in signature petitions is April 21st. This chart contains the initiative's abbreviated name, the deadline for submitting petitions and whether the measure is a statute(S) or constitutional amendment(C/A). As of deadline, there were 39 measures on the books. Only 1 initiative has qualified (the Contracting Out initiative). 5 more initiatives are at the AG's office awaiting *title & summary*. Here's the rundown...

Alcoholic Beverage Sales	4/17	S
Legalized Gambling I (Wilson)	4/21	C/A
Lawful Gay Marriage	4/21	C/A
Cal-Vet Loan Program Audit	4/28	C/A
Drug Treatment Diversion I	5/8	S
Drug Treatment Diversion II	5/8	S
School Vouchers	5/8	C/A
Civil Rights	5/8	C/A
Nat'l Average School Spending	5/19	C/A
Reapportionment (Westmiller)	5/25	C/A
Definition of a Person	5/25	C/A
Internet Voting (Strassman)	5/25	S
Restricting 3-Strikes	5/26	S
Identity Verification	5/26	S
Fees/Taxes – New Definition	5/26	C/A
Identity Theft	5/26	S
Limiting 3-Strikes	6/1	S
Right to Keep & Bear Arms	6/5	C/A
Medi-Cal Lien	6/5	S
Class Size Reduction	6/5	S
Internet Voting (Adler)	6/5	S
Defense of Initiatives	6/19	C/A
Prayer in Public Schools	6/19	C/A
Class Size Reduction – Sales Taxes	6/19	S
Legalized Gambling II (Wilson)	6/26	C/A
Tobacco Settlement Funds I	6/26	S
Tobacco Settlement Funds II	6/26	S
Ban of Telemarketing Calls	6/26	S
Legislators/Officers Salary	7/14	C/A
Reapportionment (Costa)	7/14	C/A
Referendum Process	7/24	C/A
Santa Barbara Insanity Action	7/24	S
2/3rds Reapportionment Vote (Jones)	7/31	C/A
Campaign Reform (Jones)	7/31	S
Reapportionment (Jones)	7/31	C/A
Reapportionment Commission	7/31	C/A
No Public School Funding	8/7	C/A
Campaign Reform I (Sept. Primary)	8/14	S
Campaign Reform II (June Primary)	8/14	S

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POLITICS & OIL: ANY IMPACT ON CAMPAIGN 2000?

Editor's note: There have been shortages of oil before, such as in the late 1970s – when the U.S. got hit with the Arab oil embargo. The current oil shortage is a *supply and demand* thing. Only trouble is that 2000 is an election year and office seekers are trying to make political hay out of this situation. Here's our update and analysis...

...There are two parties at fault for the energy *supply crisis*: OPEC, which cut back production to boost the price of oil and the American consumer, who either won't or can't curb their own demand for more energy...

...Politically, the high cost of fuel could cause trouble for VP Al Gore if the price doesn't start to drop by late Spring. All indications are that the Clinton Administration got caught napping while OPEC was cutting production. In S.F., gas sells for around \$2 per gallon. And the biggest danger for the Clinton Admin. is that high fuel prices could ripple through the rest of the U.S. economy – triggering inflation...

...So what's being done? In DC, the GOP's "let's cut the gas tax" gang went on the warpath, until U.S. Rep. Bud Shuster(R), chair of the House Transportation & Infrastructure Cmt., wrote a memo saying such a cut of 4.3 cents will not likely result in lower prices – and won't do anything to correct OPEC's decision to cut production. But Shuster's final point was the killer: cutting the 4.3 cent tax will "have a devastating impact" on highways, highway safety and transit & aviation programs. So the GOP House leadership backed away – and looked like a bunch of morons. FYI: this 4.3 cent gas tax took effect in 1993 as part of the Clinton deficit reduction plan. The money was in the general fund, but in 1997, when the deficit was eliminated, Congress moved it to the Highway Trust Fund (\$7.2 billion/year)...

...President Clinton wants Congress to start a heating oil reserve for the Northeast to guard against future shortages and has again blasted the House GOP leadership for failing to pass *tax incentives* to promote alternative fuels (oil shale, natural gas, solar, geothermal) and to support more domestic oil production...

...Here in Calif., the *let's cut taxes crowd* in the Assembly (read that as Tom McClintock and his protégé Tony Strickland, plus lame duck Speaker Antonio Villaraigosa) is saying that by ending the sales tax on gas, it can save consumers lots of money. But, there's *no guarantee* that oil companies will pass the savings along. In terms of dollars, the Board of Equalization says taxable sales of gas during 1997-98 was \$16.9 billion. The sales tax at a 5% rate on those transact-

ions was \$843.7 million – of which \$784,213,000 million went into the State General Fund and \$58.5 million went into the State Transportation Fund. Two problems with cutting the sales tax on gasoline: 1) it may violate the terms of Props. 111 and/or 116; and 2) CTA will go nuts because it will reduce the amount of general fund money re: Prop. 98 for education. The *better solution* is proposed by the GOP State Senate Leadership: use the gas sales tax money in the general fund for current year-to-year transportation needs. That way you get more construction (jobs) and CTA remains happy. Bottomline: once again it's the State Senate *adults* aka Burton, Johnson, Brulte & Co. vs. the Assembly *kids* who can't shoot straight. Stay tuned...

CAMPAIGN 2000: 4 CONTESTS WITHIN PASADENA, GLENDALE & BURBANK AREA DRAWS INTEREST.

Editor's note: There are four Nov. 7th election contests which are now beginning to draw lots of interest, especially the battle in the 27th Congressional District, now held by conservative U.S. Rep. James Rogan of Glendale. But there are three other races in this same Glendale, Burbank & Pasadena area that are tied to the 27th CD – the 43rd & 44th Assembly Districts and the 21st Senate District. Here's our first combined update & analysis...

...This entire area used to be rock solid GOP turf – Demos need not apply. But the area has been undergoing a shift and all 4 of these districts are considered swing districts, meaning they could go in either direction depending on the candidate and/or the special circumstance at the time. In effect, this area is one of the key battle zones in *Campaign 2000*...

...In '92 and '96 Pres. Bill Clinton(D) carried the 27th CD, and with the exception of Rogan, the other 3 seats are currently in Demo hands: Adam Schiff(D) holds the 21st SD, Jack Scott(D) represents the 44th AD and Scott Wildman(D) represents the 43rd AD. Schiff is challenging Rogan, while Scott will go for Schiff's open 21st SD...

...Rogan first. Least anyone forget, Rogan was one of the hardest of the hardliners on the House Impeachment Committee. No need to rehash all of that, but almost immediately after Pres. Clinton was acquitted by the U.S. Senate, polling showed the GOP impeachment managers, Rogan included, to be in deep trouble for 2000. Of course that was months ago and one has to wonder whether the voters even remember. In addition, Rogan's conservative views (pro-gun, anti-choice) are not necessarily *simpatico* with this CD. And don't forget that despite Rogan's cable tv ads saying he was in favor of HMO reform, there were only 5 GOP House members from Calif. who voted for Norwood-Dingell HMO reform bill and Rogan wasn't one of them. One Demo source said Rogan

knows he's in trouble and the vote on Mar. 7th only proves it. Rogan got 47.2% vs. 48.9% for Schiff – less than 2,400 votes separated the two. Right now the CD leans ever so slightly toward Schiff...

... Sources don't think Rogan wants to remind voters about his anti-choice views, but voters are going to get an ear-full because choice could be a key issue thanks to Susan Carpenter-McMillan, the very vocal anti-choice GOP candidate in the 44th AD. She'll be running against La Canada Flintridge Councilwoman Carol Liu(D), who connects well with GOP voters. McMillan's problems are compounded with very high negatives and a very definite link to the impeachment fiasco – Paula Jones. Together with Rogan, some call this duo the *GOP Impeachment Team* – and that drives Rogan nuts. Sources say the 44th AD will remain in Demo hands...

...In the 43rd AD, former Davis Admin. staffer Dario Frommer(D) bested attorney Paul Krekorian and John Hisserich to win the primary. There has been some tension between Frommer and Krekorian supporters, but Demos think everything will be smoothed over. Most sources believe Frommer to be in good shape against the GOP nominee, Deputy DA Craig Missakian. Missakian is a hardliner and defeated the more moderate Mark MacCarley by about 4,000 votes. But the big question here are Armenian American voters. They make up a large bloc of voters in the Glendale area...

...In the 21st SD, Assemblyman Jack Scott(D) faces the only moderate GOP nominee in these 4 districts: So. Pasadena Councilman Paul Zee. Zee has about 15% name ID vs. 37% for Scott. In the primary, the combined Demo vote was 100,287 vs. 54,009 for the GOP. Edge to Scott for now, but Zee is not a bad fundraiser and the GOP Senate Caucus will likely help. The big question facing Zee is whether his 3 other headline GOP running mates will drag him down? Stay tuned...

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ *Son(s) of Prop. 26* – It's been confirmed. The CTA and their Silicon Valley allies have filed 3-4 new measures with the AG's office. One measure has the exact same language as Prop. 26 (lower the vote from 2/3rds to 50% to approve a local school bond measure). The other measures are similar, but have higher thresholds: 58% and 60%. As *Calpeek* noted last week, had Prop. 26 used the 60% Super Majority figure in March, odds are good it would have passed. Instead it narrowly lost. The Howard Jarvis Taxpayers Assn. is on the warpath once again...

■ *The CRP and Prop. 26* – Remember the big brouhaha about the CA Republican Party(CRP) taking \$50,000 from YES on 26 to keep the CRP's official NO position off the big CRP slate? The CRP's official NO position was taken on Feb. 6th in Burlingame. But the Howard Jarvis Taxpayers Assn. claim the CRP may have made a deal with YES on 26 *prior* to the CRP Feb. 6th convention. It's well known that YES on 26 forces were at the CRP convention, trying (without success) to get convention delegates to stay neutral. Another GOP source confirms this whole thing. In the end, the CRP returned the \$50,000, but it was too late in terms of putting the CRP's NO on 26 stand on the slate...

■ *East L.A. Battle* – With State Sen. Hilda Solis' big win over U.S. Rep. Marty Martinez(D) in the Mar. 7th primary, it took Martinez' daughter, Diane, all but a few days to declare she will run for Solis' seat when it is vacated. But the former Demo Assemblywoman won't be alone in this special election. Assemblymembers Martin Gallegos and Gloria Romero are looking over the 24th SD and are likely to run...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

Apr. 1	U.S. Census begins.
Apr. 9	CA Nat'l Convention Delegation meeting.
Apr. 13	19 th Annual Pat Brown Inst. Awards Dinner, Regal Biltmore Hotel, L.A.
June 8	VICA's 23 rd Annual dinner, Universal City.
July 31 – Aug. 3	RNC Presidential convention – Philadelphia.
Aug. 14-17	DNC Presidential convention – L.A.
Sept. 15-17	CRP convention – Palm Springs.
Oct. 10	Last day to register to vote.
Oct. 31	Last day to apply for absentee ballot.
Nov. 7	Election day.
Dec. 18	Electoral College delegates meet in Sacto.

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